

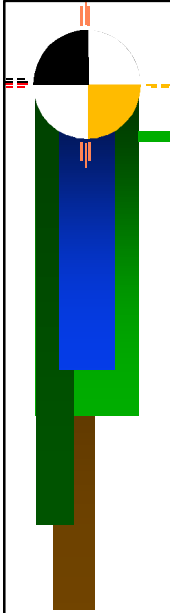


Level of Need Funded (LNF)

JUNE, 1999

Research to estimate the costs of a mainstream health plan for Indian people

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Why this research?

- Congress (House Interior appropriations committee) directed the IHS to “work with tribes to determine an acceptable methodology” for measuring health needs of tribes and Indian people. The basic question is:

What would a mainstream health benefits plan for Indian people cost?

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National membership in the LNF Work Group

- LNF Group: a stakeholder work group to provide input and perspectives from Indian country.
- Composed of tribal officials and health professionals from 12 IHS areas plus 4 at-large members.

<u>Area</u>	<u>Representative</u>	<u>Organization</u>
Aberdeen	Arlis Keckler	Cheyenne River Sioux Tribe
Alaska	Carolyn Crowder	Norton Sound Health Cooperation
Albuquerque	Joyce Naseyowma	Albuquerque Indian Health Board
Bemidji	Russ Vizna	Sault St. Marie Health Center
Billings	Gordon Belcourt	Mt/Wy Area Indian Health Board
California	Jim Crouch	California Rural Indian Health Board
Nashville	Thomas John	Seneca Nation of Indians
Navajo	Taylor McKenzie, M.D.	Vice President Navajo Nation
Oklahoma	Howard Roach	Commanche Tribe
Phoenix	Dr. Daniel Honahni	The Hopi Tribe
Portland	Colleen Cawston	Colville Business Council
Tucson	Reuben Howard	PYT Health Department
Urban Programs	Ron Morton	San Diego Am. Indian Health. Ctr.
NIHB	Deanna Bauman	Onelda Community Health Center
Self Gov. Prog.	Joe Moran	Confederated Tribes of the Salish-Kootenia
IHS	Cliff Wiggins	IHS, Office of the Director

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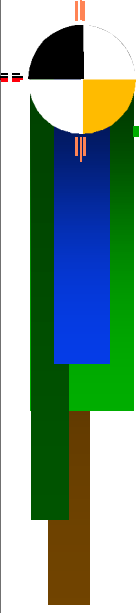


Several expert organizations are involved in the research

- LNF work group: Indian Leaders guide the study
- IMTinc: Native American consulting firm is prime contractor
- CHPS: Health economics firm does actuarial modeling
- Barents LLC: Assembles data on national Indian health spending under contract with Kaiser Family Foundation
- Dr. Hsia, AHCPR: Science advisor
- IHS: support and provides data

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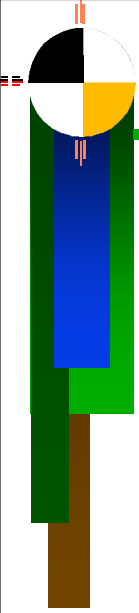
IHS Level of Need Funded Project



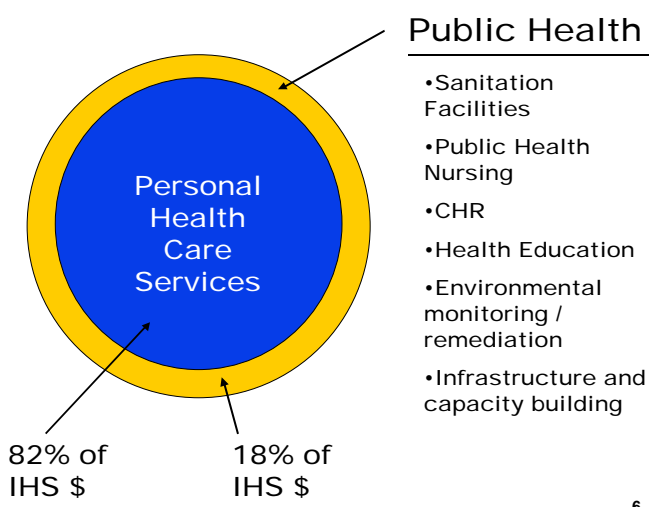
Main-stream Benefits Plan

- Benefits and costs are comparable to those found in the main stream health industry
- **Standard option** Blue Cross/Blue Shield of FEHBP serves as the benchmark plan
- Plan costs can be estimated using industry standard actuarial methods and data

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Does not include public health or "catch-up" infrastructure needs



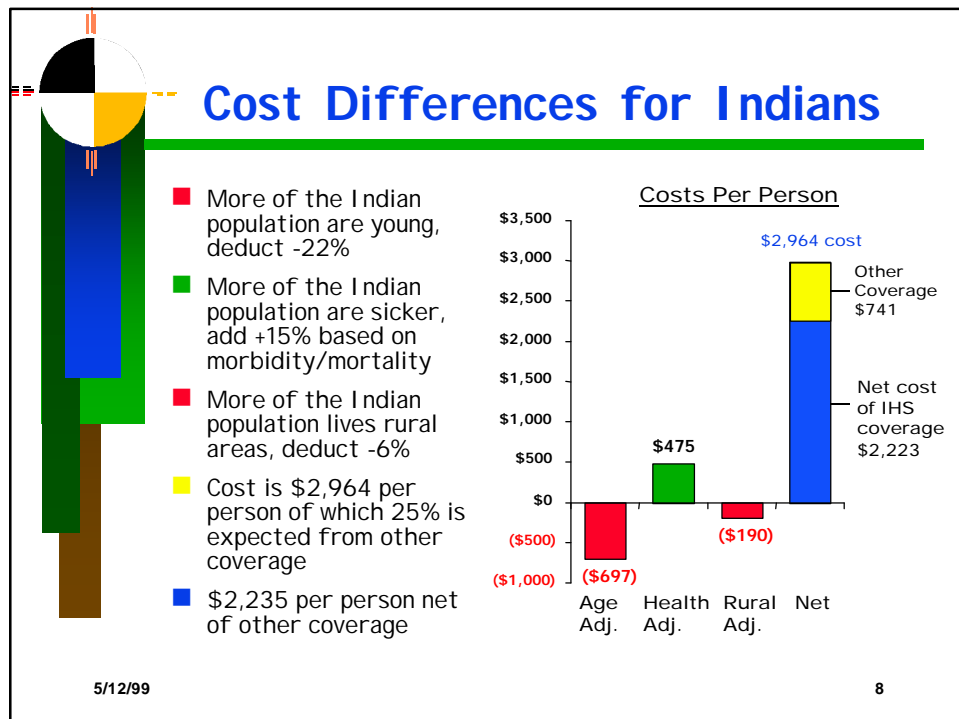
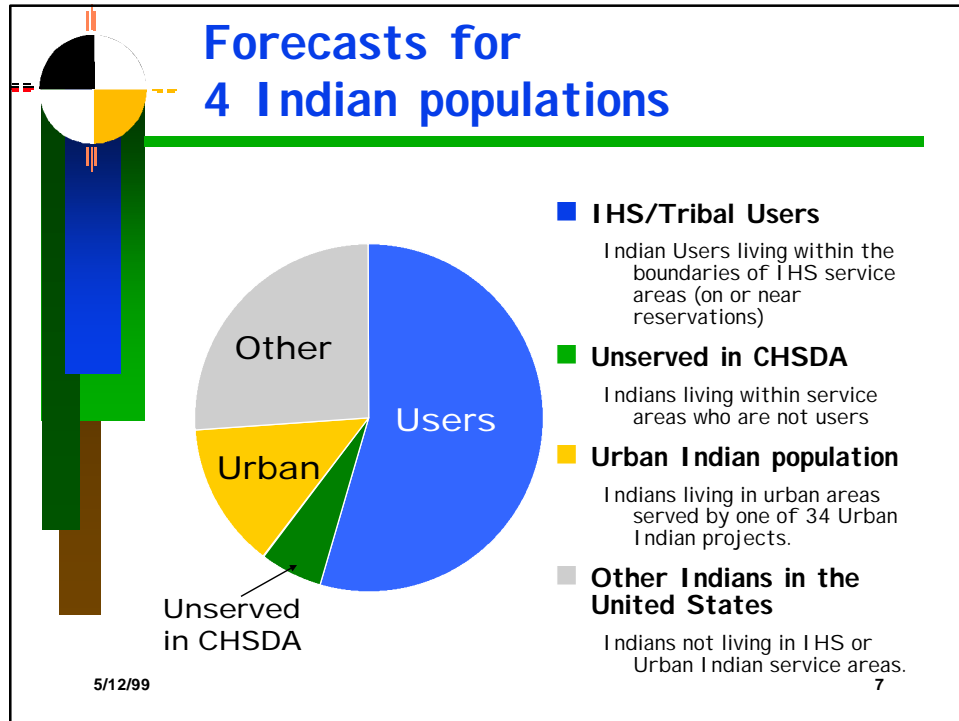
Public Health

- Sanitation Facilities
- Public Health Nursing
- CHR
- Health Education
- Environmental monitoring / remediation
- Infrastructure and capacity building

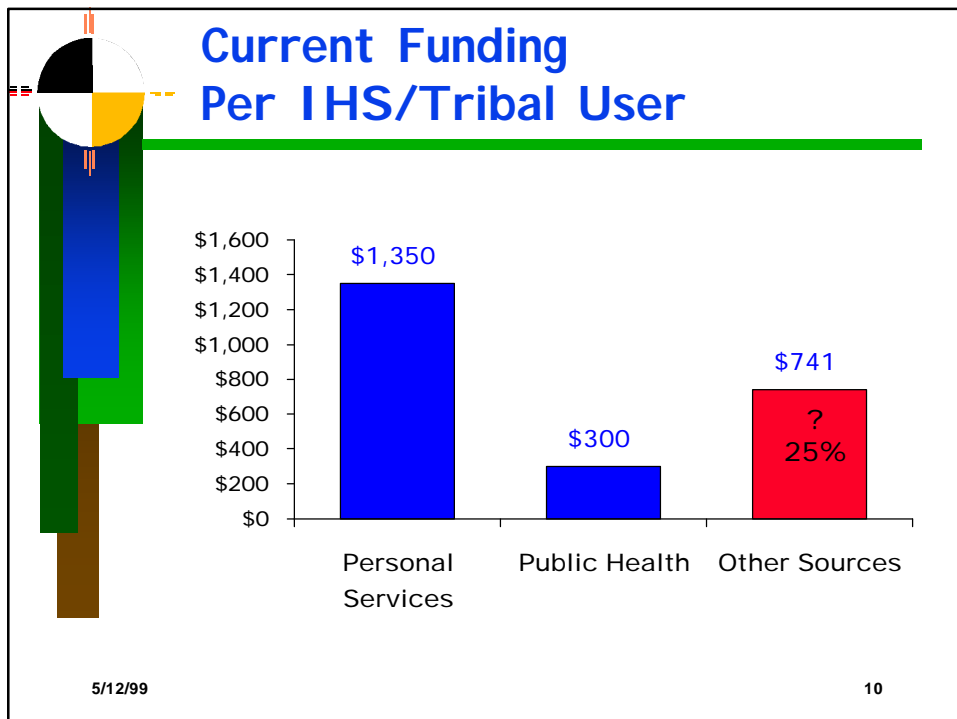
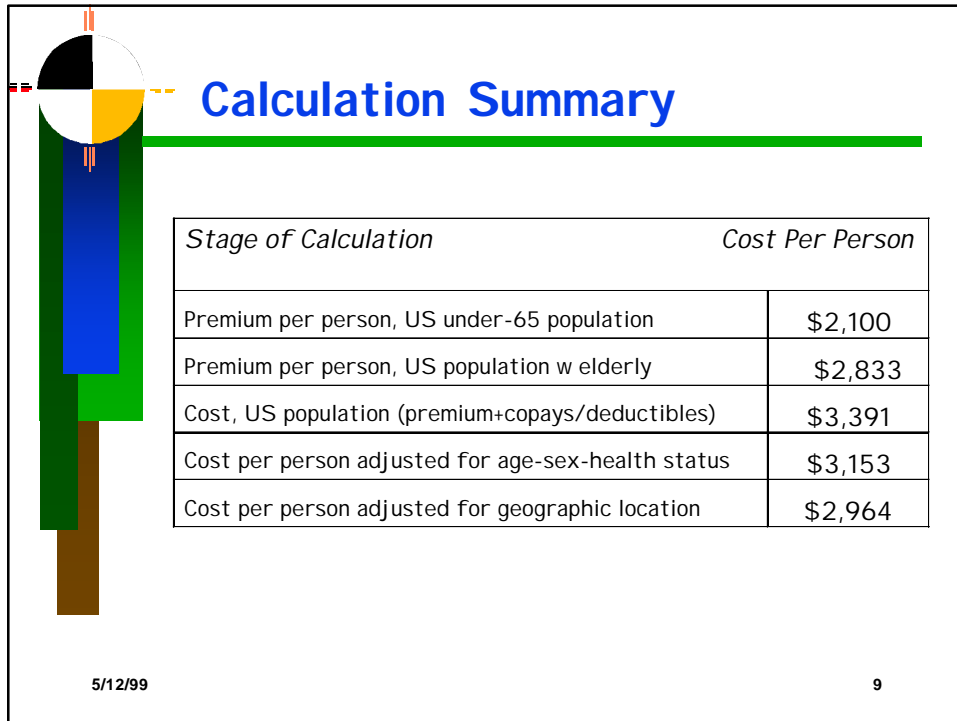
82% of IHS \$ 18% of IHS \$

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IHS Level of Need Funded Project



IHS Level of Need Funded Project



IHS Level of Need Funded Project

Costs forecasts for 4 Indian population cohorts

Personal Medical Services

	<i>Indians</i>	<i>\$ cost each*</i>	<i>Cost in Billions</i>	<i>IHS \$ in Billions**</i>	<i>Other in Billions</i>	<i>UnMet in Billions</i>
Users	1,340,000	\$2,980	\$4.0	\$1.81	\$1.0	\$1.2
Eligible	140,000	\$2,980	\$0.4	\$0.00	\$0.1	\$0.3
Urban	340,000	\$3,170	\$1.1	\$0.03	?	?
Other	640,000	\$3,170	\$2.0	\$0.00	?	?
Total	2,460,000		\$7.5	\$1.84	?	?

* Comparable costs of enrolling Indians in a FEHBP type plan including typical out-of-pocket expenses. Does not forecast costs of public health programs such as sanitation facilities.

** Does not include \$.4 billion used for public health and community based activities such as sanitation facilities, environmental remediation, public health nursing, etc..

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Some LNF Numbers

LNF % for personal medical care for user population

60 %

\$ to raise 1%

\$ 30m

\$ to get to 100%

\$ 1.2b

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